[DATE]

Dear Property Owner:

As you may know, an upcoming capital improvement project is planned for your neighborhood. While a majority of the improvements benefit the general public, a portion of the project provides direct benefit to adjoining property owners. You are receiving this letter because you own property that directly benefits from this project, and may be specially assessed for a portion of the cost.

Enclosed you will find additional information. This is preliminary information in advance of the project’s start date and in advance of any final assessment.

The following resources are included in this letter:

**Frequently Asked Questions…..…………………………………………………………………….pg. 2**

This provides additional information on capital improvement projects and special assessments.

**Preliminary Assessment Estimate…..………………………………………………………………pg. 3**

This outlines the amount proposed to be assessed to your property. This represents the maximum amount to be assessed upon completion of the project, and is only an estimate.

**Notice to Property Owners…...………………………………………………………………………pg. 4**

This is the official notice to property owners, as outlined by State law. This represents all parties who are subject to a special assessment as part of these improvements. This page also indicates the date the public notice was published in the Cedar Rapids Gazette, and provides the time and place for the public hearing: [DATE], Council Chambers, 3rd Floor, City Hall, 101 First Street SE, Cedar Rapids, Iowa.

If your property is currently being used for agricultural purposes and being assessed as agricultural land, your property may be eligible for an agricultural deferment of the special assessment.  If these conditions exist and you desire an agricultural deferment status, you are required to submit a written letter to the City Clerk on or within ten days following the public hearing date requesting this agricultural deferment (State Code Section 384.62).

Again, this letter is to share preliminary estimates of future assessment costs associated with an upcoming project. Please review the enclosed information and let us know if you have any additional questions or concerns.

Sincerely,

THE City of Cedar Rapids PUBLIC WORKS Department

[ENGINEER]

[TITLE]

[Contact information]

Encl

**FREQUENTLY ASKED QUESTIONS · SPECIAL ASSESSMENTS**

**<Project Name>**

**Q. What initiated this project?**

A. The City of Cedar Rapids has planned for necessary improvements to this area, including <insert brief description of project improvements>.

**Q. Why does this project include assessing property owners?**

A. The majority of these improvements benefit the general public, and as such, approximately XX% of the cost will be covered by general funds – contributed by all taxpayers. However, there is also some benefit that applies only to adjoining properties.  These assessments cover those direct property owner benefits, and make up approximately XX% of the project cost.

**Q. What is the difference between preliminary and final assessments?**

A.  A preliminary assessment is an estimate, based on anticipated project costs before the start of construction. The final assessment is based on actual project costs, and is determined after the project is complete. Your final assessment will never be higher than the preliminary estimate.

**Q. When will I have to pay the final assessment?**

A. A final assessment notice will be sent after the project is completed – approximately [timeframe]. The final assessment notice will provide the final amount and instructions for making payment. Payment options will include paying a lump sum payment or paying in installments, with interest. If full payment is made within 30 days of the Notice of Final Assessment, no interest will accrue.

**Q. I am in the process of selling my house, how does this impact the assessment?**

A. The assessment is levied against the property, not the individual. This means that the property owner *at the time of final assessment* is responsible for paying the assessment.

**Q. What is the purpose of the public hearing?**

A. A public hearing provides due process for City Council to hear public comment on these planned improvements and the proposed special assessments. Written comments may be sent to the City Clerk prior to the public hearing, and residents may also speak at the public hearing.

**Q. Who can I contact regarding the assessment prior to the public hearing?**

A. Please contact either XXXX at Cedar Rapids Public Works, phone number (319) 286-XXXX, or [Consultant Contact] at [Consultant Company]., phone number (319) XXX-XXXX.

**Preliminary Assessment Estimate**

**City of Cedar Rapids**

[project name]

|  |  |  |
| --- | --- | --- |
| Parcel No. & Legal Description | Property Owner and Mailing Address | **Preliminary Assessment Amount\*** |
|  |  | **$XXX** |
| **TOTAL:** | **$XXXX** |

**Description of Table**

The table above outlines the assessment(s) to your property that are included as part of this project. These assessments are going toward a portion of the project cost associated with [insert type of improvement].

You will receive final assessment costs after the project is completed. The final amount will never be higher than the preliminary estimate you see here.

\*This is an estimate only

\*This represents the maximum amount you will be assessed

**Payment Options**

You will receive additional information on final cost, interest rates, and payment options after the project is complete, sometime in [insert timeframe].

Payment options will include:

* Paying a lump sum
* Paying in installments, with interest

City Council will determine the length of time special assessments over $500 may be paid; this payment period can vary between two years and 15 years, and will be communicated to you when you receive the final assessment notice.